

task # 1402
134

Bond Release Findings

Mine Name: Vernal Phosphate
Operator: Simplot Phosphates, LLC
9401 North Highway 191
Vernal, Utah 84078-7802

I.D. No.: M0470007
Mineral Ownership: Fee
Surface Ownership: BLM/Fee
Permit Term: Permit originally granted in 1980

Disturbed Area: 1160 acres permitted; actual disturbed area unknown.

Acres Bonded: 1160 acres

Regraded: For this release request, 159.2 acres have been graded. Other areas have been graded and seeded but are not proposed for release.

Acres Proposed for Release: 159.2 acres

Reseeded: 159.2 acres under this request.

Surety

Amount: \$2,336,000.00

Form: Corporate Surety—Liberty Mutual

Renewable Term: Renewal Date October 30, 2004

The operator has not requested that a certain amount of surety be released. Rather, Simplot is requesting that various areas be released so the surety can be applied to new areas. The entire surety needs to be reviewed and adjusted for current conditions and costs.

Setting and Premining Environment

The mine is located in the foothills of the Uinta Mountains north of Vernal. The predominant premining vegetation community was pinyon/juniper. The site slopes moderately to the south and is intersected by two deep, steep-walled canyons.

Operations

Operations are continuing on Panels B and C. The areas proposed for release were reclaimed in various years between about 1999 and 2002 and are part of the operator's concurrent reclamation program. Simplot mines phosphate ore using surface mining methods and regrades and revegetates areas from which ore has been extracted. Topsoil is salvaged and stored or used almost immediately for reclamation, and there are no variances relating to the proposed release. Since this is part of an ongoing operation, surface facilities remain in areas that are still bonded.

Hole Plugging

The proposed release does not include areas where drill holes were plugged.

Reclamation

The disturbed areas have been regraded to rolling hills, and there are no highwalls or other steep slopes. There were no signs of mass failure or accelerated erosion in the areas being proposed for release. The areas all have positive drainage. There are no natural or man-made channels or impoundments. No roads remain in the release areas.

Revegetation

The postmining land uses are wildlife habitat and grazing. The reclaimed areas receive heavy use by big

game for various reasons, including the increased forage available compared to pinyon/juniper undisturbed areas and the protection provided by the mine operator. Dominant species in the reclaimed areas include alfalfa, crested wheatgrass, intermediate wheatgrass, fourwing saltbush, and forage kochia. I have not found noxious weeds in the reclaimed areas.

According to the mine plan, the premining vegetation cover was 26 percent in areas above 7000 feet elevation, so the success standard is 18.2 percent cover. Values measured in the various areas proposed for release are:

Areas proposed in 2006

Area	Perennial Cover
Panel A North	21.4
Panel A Middle	49.0
Panel A South	50.0
Panel B Area 1	37.5
Panel B Area 2	31.3
Panel B Area 3	34.8

Areas proposed in 2004

Area	Perennial Cover
1	22.9
3	30.6

I do not have record of taking cover measurements in areas 2, 4, and 5 proposed in 2004. Areas 2 and 5 are reclaimed roads surrounded by areas that have been released, and the cover was similar to surrounding areas. Area 4 is next to a topsoil stockpile, and while the operator requested release for 2.6 acres, part of the area did not receive topsoil and had little vegetation. I am recommending that 2.4 acres of this area be released.

Considering the amount of use the reclaimed areas receive from big game, I consider that the site meets this aspect of the postmining land use. I do not believe the operator has grazed livestock, but the reclaimed areas would be conducive to livestock grazing.

Recommendation

I recommend that the operator receive final release for the following areas proposed in 2006:

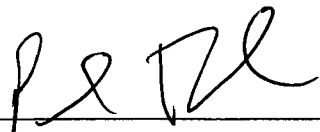
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Area	Acres
Panel A North	0.7
Panel A Middle	1.9
Panel A South	0.2
Panel B Area 1	13.8
Panel B Area 2	19.1
Panel B Area 3	8.8
Total	44.5

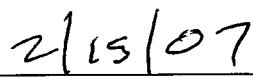
I also recommend that the operator be released from further reclamation responsibilities on 114.9 acres of land proposed for release in 2004. These areas are identified on maps dated October 20, 2004, and January 14, 2005, and the acreages are as follows:

Area	Acres
1	85.9
2	3.6
3	20.8
4	2.4
5	2.0
Total	114.7

The operator has submitted maps showing the areas proposed for release, and once these areas are released, the maps should be revised to show the new status of these areas.



Inspector



Date